

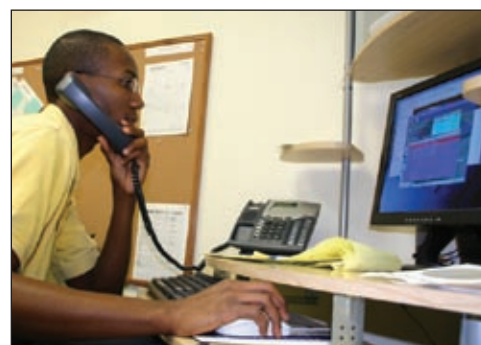
BUSINESS HELP

Customer relationship management

Your small business won't last the distance unless you go that extra mile to keep customers happy. Simon Edwards explains how CRM enables you to provide better customer care

Q We run a successful computer help service that provides technical support over the telephone and sends engineers out to small businesses and people's homes to fix PC and Mac problems. We have a dozen people who receive the customers' calls and a job ticket system that involves sticky notes and text messages being sent to the technical guys. We really ought to use something more high-tech.

How easy would it be to get a system running so the engineers, who are often working remotely, can view logged problems and take ownership of them? It would also be helpful if we could track certain customers to find out if they have particular recurring needs. Perhaps we could offer some sort of support contract with remote access to their systems so we wouldn't have to visit the site every time there was a problem.



We don't want to spend a huge amount, but getting this system to work with our billing and accounts software (Sage Line 50) would be great.

Len Griffiths

INTRODUCTION

Who are all your customers, and what do they each want? If you know the answer to this question, you either have an amazing memory or you're using software to help. Handling this sort of information is called customer relationship management (CRM). If you think that sounds corporate and boring, bear in mind that using CRM can save you time and money and help you serve your customers better. Happy customers will buy from you again, and that's the key to a successful business.

With CRM software or services, you can manage your customers, keep track of quotes, orders and complaints, and run marketing campaigns. We show you the most basic options, and where to find more powerful software that will enable your business to grow. We've also covered Microsoft's latest online service, which is inexpensive and includes a CRM feature.

Simon Edwards
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A Getting new customers can be expensive, so keeping existing ones happy is an important part of any business. Coaxing repeat business from previous clients is crucial unless you want to fight hard to engage new customers every time you want to make a sale. Big businesses use expensive, specialist computer systems to track customers' details, including what they have bought, if they had any problems with their products or services and which members of staff have dealt with their quotes, enquiries or problems.

You can do this, too, and you don't have to spend millions. We show you how to start off and expand so you and your staff can see at a glance what's going on with each customer, as well as being able to use your customer database to improve sales. Furthermore, by following our advice you can keep your customers happy, which means less time dealing with their complaints and more time taking their money.

CRM ON A BUDGET

At its most basic, a customer relationship management (CRM) system is a record of customers' contact details, a list of what they have bought and when, and possibly a list of who last spoke to them. It is possible to use Outlook and an Excel spreadsheet to implement a basic CRM system. In fact, one product manager for a major CRM software developer told us that these two programs are his main competitors.

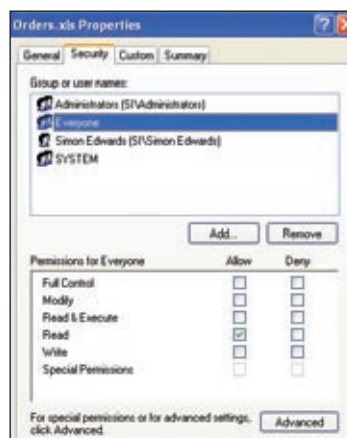
If you are a one-man band, you could get by with creating a new Contacts list in Outlook called Customers. Whenever you deal with a new or old customer, add notes about their needs to the Notes field of their entry and save their order status (for example,

interested/quoted/ordered/paid) in a spreadsheet. When a customer calls to order or complain, you can call up their information quickly. Not only does this project a professional image of your company to the customer, it also saves you time. Even larger businesses can get away with the Outlook-plus-Excel approach. If you have an Exchange server, you could create a shared Contacts folder that your team can access. A basic file server, or shared folder on a communal PC, could hold an Excel spreadsheet containing order details.

The main advantage of this approach over every member of staff saving details to their individual PCs is that you don't have people wasting each other's time trying to get contact details for a customer they haven't previously handled, a task that becomes virtually impossible when colleagues go on holiday. There are some drawbacks to this approach, though, an important one being that only one person can edit a shared document at a time. One of the most common phrases you'll hear in an office that works like this is: "Who has the Orders spreadsheet open?" Remote

access to customer and order data can be tricky when you work in this way. It is possible to use services such as LogMeIn to allow home and mobile workers to read and write the central files, but there are more elegant ways to have everyone work together seamlessly.

Sometimes you don't want everyone to have the same level of access to the data. For example, customer service staff or engineers might need to read the list of orders but probably don't need to change them. They should be able to update customers' contact details, though. A salesperson needs to be able to process an order from start to finish, but



▲ Change a file or folder's permissions settings to restrict access to it

probably doesn't need to be able to change details relating to a customer's technical support queries. Although complicated, it is possible to use Windows' permissions settings to allow and deny different categories of employee from accessing different files in different ways. This will work fine for a very small group of employees, but scaling this up, or changing it when you hire or fire, will quickly become a pain.

COMMERCIAL CRM

One of the most popular small business CRM programs is Sage ACT!. The latest version, ACT! 2007, stores your business contacts and also allows you and your colleagues to track orders and other elements of your business. For example, viewing the Opportunity List can show you which of your sales people are talking to your suppliers and customers at a glance. You can see who is closing the most orders, who is slacking and who is bringing in the most cash. If you set yourself up as the administrator, you can see what everyone else is up to, but they can't necessarily view each other's progress. They can create their own to-do lists and calendar entries, which you can view, and the administrator can even assign tasks to others.

The benefits are obvious. Your staff can find out exactly what they need to know about clients and suppliers without asking around or waiting for colleagues in the know to return from holiday. Managers can get an instant view of how the business is running, are able to use sales information to predict cash flow (a factor that can make or break a small business) and can even use the orders list to work out who wins salesperson of the month.

Sage supplies a range of business accounts packages, including Sage Instant Accounts, Sage Line 50 and Sage MMS. ACT! 2007 integrates with all these. Running your CRM and accounts software in tandem will let you and your staff see which customers pay their bills, and ensures that important contact details are synchronised between your contacts database and your accounts program. It is free to connect a one-user installation of ACT! to Sage Instant Accounts, and around £35 including VAT to connect a two-user licence. Len Griffiths uses Line 50, and the cost of a Link licence for this starts from £70 including VAT.

If you have always kept your contacts in Outlook, you can export them to ACT! when you first set up the software. ACT! will also synchronise with Outlook and work with Microsoft Word, so you can create mailmerges

Real live wire Microsoft Office Live

Microsoft has just launched a beta version of its new Office Live service. If you are involved in starting a very small business with fewer than 10 employees and little income, this could be a life saver.

For a start, it's free. At least, the Basics package is free; monthly fees apply to more fully featured versions. After the trial period, Essentials costs £14 including VAT per month and Premium costs £27 including VAT. In all cases, including the free Basics, a domain name is included. The available top-level domains include .com, .co.uk, .org and .net. During the so-called beta trial period, all versions are free. When Microsoft officially launches the service, it will start charging subscribers.

Office Live is a set of online tools that makes collaborating with a small group of colleagues straightforward. All the packages include a web-based email account with between 500MB and 2GB of storage space per user, a website with optional online design tools and an Outlook-style web-based calendar. Essentials and Premium subscriptions include a tool that lets you synchronise Outlook on your PC with the online service, so you can work without an internet connection and have access to a backup of your data.

The Premium package also includes a Project Manager program, a document library, a company-wide shared calendar

and a sales tool to help you track what your competitors are up to as well as provide estimates and customer support.

CONTACT SPORT

One of the most exciting features of Office Live is the Business Contact Manager. This comes as part of the Essentials and Premium packages and provides a shared contacts database with sales information and other data that lets you view and manage potential sales opportunities.

You can build accounts for companies, add individual contacts, view which of your staff are talking to which clients (or potential clients) and how far along they are in their negotiations. You can even build up a database of your company's products and services, which makes setting up quotes for jobs and supplying estimates easy. The email alert system allows you to receive messages when certain events occur. So if you want to get an email every time a salesperson concludes a deal, it's easy to do. Sales and customer service staff can also receive emails when they are assigned to a project.

If you haven't used a CRM system before, signing up to use this tool is worthwhile just for the educational value. Office Live can certainly help a small going concern manage its affairs and it's ideal for startup companies with little cash to invest in expensive software and services.

easily. It can also export data to Excel for analysis or creating reports. It is not the cheapest of options, though, and costs more than Microsoft's Office Live; see the box above. A one-user licence for ACT! costs around £210 including VAT. If you want three people to use it, you're looking at around £630 including VAT. In an ideal world, you'd use ACT! on the network, with each user sitting in front of their own keyboard and monitor. A workgroup licence for the minimum of five users costs an eye-watering £1,569 including VAT.

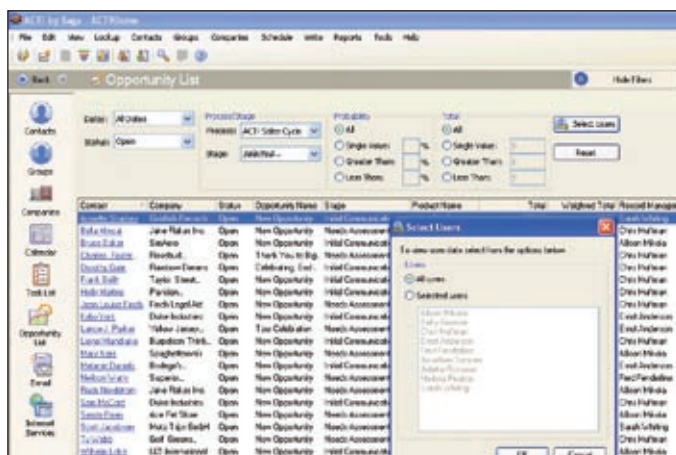
OTHER CRM SYSTEMS

Microsoft sells its own CRM software. Microsoft Dynamics CRM Small Business Edition 3 runs on Microsoft Windows Small Business Server 2003 RC2 and costs just over £500 including VAT. This includes a single-user licence. Additional licences

cost around £150. Users access it using Outlook or a web browser. Due to its cost and system requirements, this option isn't the most suitable for very small operations. However, if you're planning on expanding fast, you won't want to worry about swapping from a small CRM system to a more fully featured one later. In this case, the investment in a serious CRM system from the outset would be worthwhile. The price structure is obvious, which is not always the case with some other CRM providers.

There are plenty of other CRM systems available, including products from NetSuite. This company provides a hosted CRM package called NetSuite Small Business. Because it runs on NetSuite's own servers, you access the service using a web browser in the same way you would use Microsoft Office Live; see the box for details.

When you buy software and services at this level, you are expected to negotiate with sales people rather than pay a fixed price. This means we can't give you a clear idea of how much subscribing to these hosted services costs. It will vary depending on how good you are at beating the resellers down. At the very least, you need to know what you want and how much you can pay. Just remember that once you start building your business around a supplier's services, extracting yourself and starting with another provider will be time consuming and costly. ☹



◀ Fully featured CRM software lets you see how your employees are progressing at a glance

Next month

BUSINESS ACCOUNTS SOFTWARE

Keep your accounts accurate without spending hours on them